E8-9989

35 JAN 1957

Amorable James E. Murrey Chairman Committee on Exterior and Insular Affairs United States Conste Washington 25, D.C.

Dear Mr. Chairmen:

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STAT STAT With further reference to your letter of 5 January, we have now studied your Staff Report So. 2 on titemism. The report is both informative and interesting and I am placed to know that you plan to have a similar study prepared covering 1957.

The report presents such impressive evidence that the densed for titandum in both civil and military applications will increase eignificently in the mear future. Because of the unique properties of titanium, densed in the UMER, as in the United States, should increase even if the current relatively high cost is maintained. However, technological imprevements in spange production and febrication and new developmental work in the reservey and reuse of titanium sorms are expected to refuce the cost of the finished product. Such reductions would stimulate an even greater use of titanium in both civil and military explications.

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Honorable James E. Murray Chairman Committee on Interior and Insular Affairs United States Senate Washington 25, D. C.

Dear Mr. Chairman:

Reference is made to my letter of 8 January 1957. We have read your Staff Report No. 2 on titanium, and your Subcommittee is to be commended for preparing such an interesting and informative study of this important metal. We are pleased to know that you plan to have a similar study prepared covering 1957.

The report presents much impressive evidence that the demand for titanium in both civil and military applications will increase significantly in the near future. Because of the unique properties of titanium, demand in the USSR, as in the United States, should increase even if the current, relatively high cost is maintained. However, technological improvements in sponge production and fabrication, and new developmental work in the recovery and reuse of titanium scrap, are expected to reduce the cost of the finished product. Such reductions would stimulate an even greater use of titanium in both civil and military applications.

Of continuing interest to this Agency in watching developments abroad is the competition between certain stainless steels and titanium alloys for use at high temperatures, such as those encountered by missiles and aircraft at supersonic speeds.

Sincerely, STAT Michigan of: mb 241157 Distribution: Orig. and 1 - Addressee PI- DCI Allen W. Dulles 1 - DDCI 2 - DD/IDirector 1 - Legislative Counsel 1 - Asst. to DD/I STAT 2 - AD/KR STAT CONCUR: 1 - Ch/E1 - EK STAT 1 - D/M 1- Meading 1-JA5 STAT Deputy Director/Intelligence OAD/RR:D, STAT A TOTAL (19 January 1957)

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